

Jean A. Martin

Senior Attorney – Health, Safety & Environment

BP America Inc. and its subsidiaries
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October 30, 2010

BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED

Ms. Nadia Hollan
U.S. Environmental Protection Agency, Region 9
75 Hawthorne Street
SFD-8-2
San Francisco, California 94105

**RE: BP Products North America Inc. and Atlantic Richfield Company
Financial Assurance Documentation
Yerington Mine Site**

Dear Ms. Hollan:

In response to the Requests for Information dated September 20, 2010 from the U.S. Environmental Protection Agency's ("EPA") Office of Enforcement and Compliance Assurance ("OECA"), enclosed are new financial assurance instruments for the above-referenced site. Specifically, included in this submission are financial assurance for:

1. Administrative Order for Remedial Investigation and Feasibility Study for the Anaconda/Yerington Mine Site, Yerington, Lyon County, Nevada, Atlantic Richfield company, Respondent, ordered by the United States Environmental Protection Agency, Region 9, on January 12, 2007, CERCLA Docket No. 9-2007-0005

Letter of Credit No. [REDACTED] issued by Standard Chartered bank on October 25, 2010, in the amount of \$18,000,000.

2. Administrative Order on Consent and Settlement Agreement for Removal Action and Past Response Costs, entered by the United States Environmental Protection Agency, Region 9, in the Matter of Anaconda Copper Mine, Yerington, Nevada, Atlantic Richfield Company, Respondent, effective May 1, 2009, CERCLA Docket No. 09-2009-0010

Letter of Credit No. [REDACTED] issued by Standard Chartered bank on October 27, 2010, in the amount of \$8,000,000).

We propose to use these instruments to replace the BP Corporation North America Inc. corporate guarantees, submitted March 29, 2010, for financial assurances at this site.

As you may know, BP Corporation North America Inc. and Atlantic Richfield Company have used a guarantee from BP Corporation North America Inc. in previous years for financial assurances at the above-referenced site without objection. However, we do not want EPA to have concerns about the financial assurance provided at BP's facilities. Accordingly, we are submitting these instruments to provide replacement financial assurances.

To the extent it may be needed, this letter provides EPA with notice that BP Corporation North America Inc. cancels the existing guarantees for the costs described herein. Notice of cancellation is subject to EPA's acceptance of these instruments as a replacement form of financial assurance for the corporate guarantees, and to any contractual and other legal requirement to keep the guarantees in place for a certain period of time following EPA's receipt of this notice of cancellation.

Please contact me at (281) 366-6060 should you have any questions regarding the enclosed instruments. We are committed to ensuring that our financial assurance instruments meet all applicable legal requirements.

Sincerely,



Jean Martin
Senior Attorney for BP Corporation North America Inc.
and its subsidiaries and affiliates, including Atlantic Richfield
Company

Enclosures

cc: C. Tan, OECA
T. Olson, Bureau of Land Management
J. Gross and K. Stelcen, Arnold & Porter LLP
R. Curley, Curley & Associates LLC
J. Lucari, BP Legal
B. Smith, BP Corporation North America Inc.

ORIGINAL

Irrevocable Standby Letter of Credit	Credit Number : [REDACTED] Date of Issue : 25 October 2010
Beneficiary: REGIONAL ADMINISTRATOR UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 9 75 HAWTHORNE STREET SAN FRANCISCO, CALIFORNIA 94105	Date of Expiry: 20 October 2011 Place of Expiry: AT OUR COUNTERS
	Applicant: BP CORPORATION NORTH AMERICA INC. ON BEHALF OF ATLANTIC RICHFIELD CO. 501 WESTLAKE PARK BOULEVARD HOUSTON, TEXAS 77078
Partial drawing: Allowed	L/C Amount: USD 18,000,000.00 Exactly US DOLLAR EIGHTEEN MILLION AND 00/100

GENTLEMEN:

WE HEREBY ISSUE OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. [REDACTED] IN YOUR FAVOR, AT THE REQUEST AND FOR THE ACCOUNT OF THE APPLICANT, BP CORPORATION NORTH AMERICA INC., ON BEHALF OF ATLANTIC RICHFIELD COMPANY, IN THE AMOUNT OF EXACTLY EIGHTEEN MILLION U.S. DOLLARS (\$18,000,000) (THE "MAXIMUM AMOUNT"). WE HEREBY AUTHORIZE YOU, THE U.S. ENVIRONMENTAL PROTECTION AGENCY (THE "BENEFICIARY"), TO DRAW AT SIGHT ON US, AN AGGREGATE AMOUNT EQUAL TO THE MAXIMUM AMOUNT UPON PRESENTATION OF:

(1) YOUR SIGHT DRAFT, BEARING REFERENCE TO THIS LETTER OF CREDIT NO. [REDACTED] WHICH MAY, WITHOUT LIMITATION, BE PRESENTED IN THE FORM ATTACHED HERETO AS EXHIBIT A); AND

(2) YOUR SIGNED STATEMENT READING AS FOLLOWS: "I CERTIFY THAT THE AMOUNT OF THE DRAFT IS PAYABLE PURSUANT TO THAT CERTAIN "ADMINISTRATIVE ORDER FOR REMEDIAL INVESTIGATION AND FEASIBILITY STUDY FOR THE ANACONDA/YERINGTON MINE SITE, YERINGTON, LYON COUNTY, NEVADA, ATLANTIC RICHFIELD COMPANY, RESPONDENT" (THE "ORDER"), ORDERED BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, REGION 9, ON JANUARY 12, 2007, CERCLA DOCKET NO. 9-2007-0005."

THE AMOUNT OF THIS LETTER OF CREDIT HAS BEEN DETERMINED IN ACCORDANCE WITH PARAGRAPH 76 OF THE ORDER.

THIS LETTER OF CREDIT IS EFFECTIVE IMMEDIATELY AND SHALL EXPIRE ON OCTOBER 20, 2011, BUT SUCH EXPIRATION DATE SHALL BE AUTOMATICALLY EXTENDED FOR A PERIOD OF ONE YEAR ON OCTOBER 20, 2011 AND ON EACH SUCCESSIVE EXPIRATION DATE, UNLESS, AT LEAST ONE HUNDRED TWENTY (120) DAYS BEFORE THE CURRENT EXPIRATION DATE, WE NOTIFY YOU, BP CORPORATION NORTH AMERICA INC. AND ATLANTIC RICHFIELD COMPANY BY CERTIFIED MAIL COURIER THAT WE HAVE DECIDED NOT TO EXTEND THIS LETTER OF CREDIT BEYOND THE CURRENT EXPIRATION DATE. IN THE EVENT YOU ARE SO NOTIFIED, ANY UNUSED PORTION OF THE CREDIT SHALL IMMEDIATELY THEREUPON BE AVAILABLE TO YOU, WITHOUT FURTHER SHOWING NECESSARY, UPON PRESENTATION OF YOUR SIGHT DRAFT UNTIL THE LATER TO OCCUR OF THE EXPIRATION OF THIS LETTER OF CREDIT OR FOR A PERIOD OF 120 DAYS AFTER THE DATE OF RECEIPT BY YOU, BP CORPORATION NORTH AMERICA INC. AND ATLANTIC RICHFIELD COMPANY OF SUCH NOTIFICATION, AS SHOWN ON SIGNED RETURN RECEIPTS.

MULTIPLE AND PARTIAL DRAWS ON THIS LETTER OF CREDIT ARE EXPRESSLY PERMITTED, UP TO AN AGGREGATE AMOUNT NOT TO EXCEED THE MAXIMUM AMOUNT. WHENEVER THIS LETTER OF CREDIT IS DRAWN ON, UNDER, AND IN COMPLIANCE WITH THE TERMS HEREOF, WE SHALL DULY HONOR SUCH DRAFT UPON PRESENTATION TO US VALUE WITHIN 3 BUSINESS DAYS AND WE SHALL DEPOSIT THE

Standard Chartered Bank
One Madison Avenue, 3rd Floor
New York, NY 10010-3603
USA
SWIFT: SCBLUS33

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AMOUNT OF THE DRAFT IN IMMEDIATELY AVAILABLE FUNDS DIRECTLY INTO SUCH ACCOUNT OR ACCOUNTS AS MAY BE SPECIFIED IN ACCORDANCE WITH YOUR INSTRUCTIONS.

ALL BANKING AND OTHER CHARGES UNDER THIS LETTER OF CREDIT ARE FOR THE ACCOUNT OF THE APPLICANT.

THIS LETTER OF CREDIT IS SUBJECT TO THE MOST RECENT EDITION OF THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, PUBLISHED AND COPYRIGHTED BY THE INTERNATIONAL CHAMBER OF COMMERCE.

EXHIBIT A - FORM OF SIGHT DRAFT

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY SIGHT DRAFT

TO: [INSERT NAME OF ISSUING BANK]
[INSERT ADDRESS OF ISSUING BANK]

RE: LETTER OF CREDIT NO. [INSERT]

DATE: [INSERT DATE THAT DRAW IS MADE]

TIME: [INSERT TIME OF DAY THAT DRAW IS MADE]

THIS DRAFT IS DRAWN UNDER YOUR IRREVOCABLE LETTER OF CREDIT NO. [INSERT]. PAY TO THE ORDER OF THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, IN IMMEDIATELY AVAILABLE FUNDS, THE AMOUNT OF [IN WORDS] U.S. DOLLARS (U.S.\$[]) OR, IF NO AMOUNT CERTAIN IS SPECIFIED, THE TOTAL BALANCE REMAINING AVAILABLE UNDER YOUR IRREVOCABLE LETTER OF CREDIT NO. [INSERT].

PAY SUCH AMOUNT AS IS SPECIFIED IN THE IMMEDIATELY PRECEDING PARAGRAPH BY FEDWIRE ELECTRONIC FUNDS TRANSFER ("EFT") TO THE ANACONDA/YERINGTON MINE SITE SPECIAL ACCOUNT WITHIN THE EPA HAZARDOUS SUBSTANCE SUPERFUND IN ACCORDANCE WITH CURRENT EFT PROCEDURES, REFERENCING FILE NUMBER NO. 9-2007-0005, EPA REGION AND SITE SPILL ID NUMBER [] AS FOLLOWS:

[INSERT SPECIFIC SPECIAL ACCOUNT WIRING INSTRUCTIONS AND INFORMATION].

THIS SIGHT DRAFT HAS BEEN DULY EXECUTED BY THE UNDERSIGNED, AN AUTHORIZED REPRESENTATIVE OR AGENT OF THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, WHOSE SIGNATURE HEREUPON CONSTITUTES AN ENDORSEMENT.

BY: _____ [SIGNATURE]
_____ [NAME]
_____ [TITLE]

Please be advised that our trade processing center is now located at the following address:

Standard Chartered Bank
2 Gateway Center
13th Floor
Newark, New Jersey 07102

Standard Chartered Bank
One Madison Avenue, 3rd Floor
New York, NY 10010-3603
USA
SWIFT: SCBLUS33

ORIGINAL



Consequently any reference to expiration of this letter of credit and presentation under this letter of credit at our counters will mean our counters at the above Newark address. Kindly send all correspondence and documents under this credit to our Newark address.

In case of need please be guided by the following:

For questions relating to Issuance/Amendment of Commercial and Standby Letters of Credit, as well as clarification of LC terms and conditions, please call Joan Lin at (201) 706-5361, Deborah Clark at (201) 706- 5306 or Yvonne Boakye (201) 706-5302 or Gene Mesina (201) 706-5325 or by fax at (973) 474-5929 or (973) 474-5930.

We hereby engage with you that all documents drawn under and in compliance with the terms of this Letter of Credit will be duly honored upon presentation for payment on or before the expiry date of this Letter of Credit.

This Letter of Credit is issued subject to Uniform Customs and Practice for Documentary Credits 2007 Revision, Publication 600

Standard Chartered Bank

A handwritten signature in dark ink, appearing to be "B. Lin", written over a horizontal line.

Authorized Signature

A handwritten signature in dark ink, appearing to be "Joan Lin", written over a horizontal line.

Authorized Signature

ORIGINAL

Standard
Chartered

Irrevocable Standby Letter of Credit	Credit Number : [REDACTED] Date of Issue : 27 October 2010
Beneficiary: REGIONAL ADMINISTRATOR UNITED STATES ENVIRONMENTAL PROTECTION AGENCY - REGION 9 75 HAWTHORNE STREET SFD-8-2 SAN FRANCISCO, CA 94105 ATTN: NADIA HOLLAN TEL: 415 972 - 3187 (SFD-8-2)	Date of Expiry: 20 October 2011 Place of Expiry: AT OUR COUNTERS
	Applicant: BP CORPORATION NORTH AMERICA INC. ON BEHALF OF ATLANTIC RICHFIELD COMPANY 501 WESTLAKE PARK BOULEVARD, HOUSTON, TEXAS 77079
Partial drawing: Allowed	L/C Amount: USD 8,000,000.00 Exactly US DOLLAR EIGHT MILLION AND 00/100

GENTLEMEN:

WE HEREBY ISSUE OUR IRREVOCABLE STANDBY LETTER OF CREDIT NO. [REDACTED] IN YOUR FAVOR, AT THE REQUEST AND FOR THE ACCOUNT OF THE APPLICANT, BP CORPORATION NORTH AMERICA INC., ON BEHALF OF ATLANTIC RICHFIELD COMPANY, IN THE AMOUNT OF EXACTLY EIGHT MILLION U.S. DOLLARS (\$8,000,000) (THE "MAXIMUM AMOUNT"). WE HEREBY AUTHORIZE YOU, THE U.S. ENVIRONMENTAL PROTECTION AGENCY (THE "BENEFICIARY"), TO DRAW AT SIGHT ON US, AN AGGREGATE AMOUNT EQUAL TO THE MAXIMUM AMOUNT UPON PRESENTATION OF:

(1) YOUR SIGHT DRAFT, BEARING REFERENCE TO THIS LETTER OF CREDIT NO. [REDACTED] (WHICH MAY, WITHOUT LIMITATION, BE PRESENTED IN THE FORM ATTACHED HERETO AS EXHIBIT A); AND

(2) YOUR SIGNED STATEMENT READING AS FOLLOWS: "I CERTIFY THAT THE AMOUNT OF THE DRAFT IS PAYABLE PURSUANT TO THAT CERTAIN "ADMINISTRATIVE ORDER ON CONSENT AND SETTLEMENT AGREEMENT FOR REMOVAL ACTION AND PAST RESPONSE COSTS, ENTERED BY THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY, REGION 9, IN THE MATTER OF ANACONDA COPPER MINE, YERINGTON, NEVADA, ATLANTIC RICHFIELD COMPANY, RESPONDENT," EFFECTIVE MAY 1, 2009, CERCLA DOCKET NO. 09-2009-0010 (THE "AGREEMENT"),"

THE AMOUNT OF THIS LETTER OF CREDIT HAS BEEN DETERMINED IN ACCORDANCE WITH PARAGRAPH 91 OF THE AGREEMENT.

THIS LETTER OF CREDIT IS EFFECTIVE IMMEDIATELY AND SHALL EXPIRE ON OCTOBER 20, 2011, BUT SUCH EXPIRATION DATE SHALL BE AUTOMATICALLY EXTENDED FOR A PERIOD OF ONE YEAR ON OCTOBER 20, 2011 AND ON EACH SUCCESSIVE EXPIRATION DATE, UNLESS, AT LEAST ONE HUNDRED TWENTY (120) DAYS BEFORE THE CURRENT EXPIRATION DATE, WE NOTIFY YOU, BP CORPORATION NORTH AMERICA INC. AND ATLANTIC RICHFIELD COMPANY, BY CERTIFIED MAIL/COURIER THAT WE HAVE DECIDED NOT TO EXTEND THIS LETTER OF CREDIT BEYOND THE CURRENT EXPIRATION DATE. IN THE EVENT YOU ARE SO NOTIFIED, ANY UNUSED PORTION OF THE CREDIT SHALL IMMEDIATELY THEREUPON BE AVAILABLE TO YOU, WITHOUT

FURTHER SHOWING NECESSARY, UPON PRESENTATION OF YOUR SIGHT DRAFT UNTIL THE LATER TO OCCUR OF THE EXPIRATION OF THIS LETTER OF CREDIT OR FOR A PERIOD OF 120 DAYS AFTER THE DATE OF RECEIPT BY YOU, BP CORPORATION NORTH AMERICA INC. AND ATLANTIC RICHFIELD COMPANY OF SUCH NOTIFICATION, AS SHOWN ON SIGNED RETURN RECEIPTS.

MULTIPLE AND PARTIAL DRAWS ON THIS LETTER OF CREDIT ARE EXPRESSLY PERMITTED, UP TO AN AGGREGATE AMOUNT NOT TO EXCEED THE MAXIMUM AMOUNT. WHENEVER THIS LETTER OF CREDIT IS DRAWN ON, UNDER, AND IN COMPLIANCE WITH THE TERMS HEREOF, WE SHALL DULY HONOR SUCH DRAFT UPON PRESENTATION TO US VALUE WITHIN THREE (3) WORKING DAYS AND WE SHALL DEPOSIT THE AMOUNT OF THE DRAFT IN IMMEDIATELY AVAILABLE FUNDS DIRECTLY INTO SUCH ACCOUNT OR ACCOUNTS AS MAY BE SPECIFIED IN ACCORDANCE WITH YOUR INSTRUCTIONS.

ALL BANKING AND OTHER CHARGES UNDER THIS LETTER OF CREDIT ARE FOR THE ACCOUNT OF THE APPLICANT.

THIS LETTER OF CREDIT IS SUBJECT TO THE MOST RECENT EDITION OF THE UNIFORM CUSTOMS AND PRACTICE FOR DOCUMENTARY CREDITS, PUBLISHED AND COPYRIGHTED BY THE INTERNATIONAL CHAMBER OF COMMERCE.

EXHIBIT A - FORM OF SIGHT DRAFT

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY SIGHT DRAFT

TO: [INSERT NAME OF ISSUING BANK]
[INSERT ADDRESS OF ISSUING BANK]

RE: LETTER OF CREDIT NO. [INSERT]

DATE: [INSERT DATE THAT DRAW IS MADE]

TIME: [INSERT TIME OF DAY THAT DRAW IS MADE]

THIS DRAFT IS DRAWN UNDER YOUR IRREVOCABLE LETTER OF CREDIT NO. [INSERT].
PAY TO THE ORDER OF THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY,
IN IMMEDIATELY AVAILABLE FUNDS, THE AMOUNT OF [IN WORDS] U.S. DOLLARS
(U.S.\$[]) OR, IF NO AMOUNT CERTAIN IS SPECIFIED, THE TOTAL BALANCE
REMAINING AVAILABLE UNDER YOUR IRREVOCABLE LETTER OF CREDIT NO. [INSERT].

PAY SUCH AMOUNT AS IS SPECIFIED IN THE IMMEDIATELY PRECEDING PARAGRAPH BY
FEDWIRE ELECTRONIC FUNDS TRANSFER ("EFT") TO THE ANACONDA/YERINGTON MINE
SITE SPECIAL ACCOUNT WITHIN THE EPA HAZARDOUS SUBSTANCE SUPERFUND IN
ACCORDANCE WITH CURRENT EFT PROCEDURES, REFERENCING FILE NUMBER 9-2009-
0010, EPA REGION AND SITE SPILL ID NUMBER [], AS FOLLOWS:

[INSERT SPECIFIC SPECIAL ACCOUNT WIRING INSTRUCTIONS AND INFORMATION].

THIS SIGHT DRAFT HAS BEEN DULY EXECUTED BY THE UNDERSIGNED, AN
AUTHORIZED REPRESENTATIVE OR AGENT OF THE UNITED STATES ENVIRONMENTAL
PROTECTION AGENCY, WHOSE SIGNATURE HEREUPON CONSTITUTES AN
ENDORSEMENT.

BY: _____ [SIGNATURE]
_____ [NAME]
_____ [TITLE]

Please be advised that our trade processing center is now located at the following address:

Standard Chartered Bank
2 Gateway Center
13th Floor
Newark, New Jersey 07102

Consequently any reference to expiration of this letter of credit and presentation under this letter of credit at our counters will mean our counters at the above Newark address. Kindly send all correspondence and documents under this credit to our Newark address.

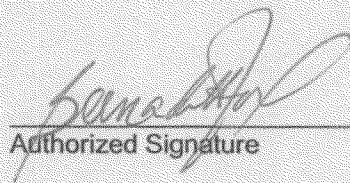
In case of need please be guided by the following:

For questions relating to Issuance/Amendment of Commercial and Standby Letters of Credit, as well as clarification of LC terms and conditions, please call Joan Lin at (201) 706-5361, Deborah Clark at (201) 706- 5306 or Yvonne Boakye (201) 706-5302 or Gene Mesina (201) 706-5325 or by fax at (973) 474-5929 or (973) 474-5930.

Standard Chartered Bank



Authorized Signature



Authorized Signature